



CITY OF TEMPE REQUEST FOR COUNCIL ACTION

**Council Meeting Date: 9/19/2013
Agenda Item: 5B19**

ACTION: Approve the award of a contract to Steel-Fab, Inc. who will design and fabricate the steel gate assemblies and provide associated controls and operating equipment for the Tempe Town Lake West Dam Replacement project overseen by the Engineering Division of Public Works Department.

FISCAL IMPACT: The total cost of this contract will not exceed \$12,400,000. Sufficient funds have been appropriated in the Capital Improvement Project 6504229 for the anticipated expenditures in the current fiscal year. This contract will remain open until completion on December 28, 2015.

RECOMMENDATION: Award the contract.

BACKGROUND INFORMATION: (RFP 14-004) The City of Tempe is in the process of replacing the existing rubber bladder west dam of Tempe Town Lake. In the City of Tempe's contractual agreement with Bridgestone, Inc. the four existing rubber bladders must be replaced by December 28, 2015. In January 2012, the City of Tempe selected a steel gate to replace the existing bladders. Since then Gannett Fleming, the contracted engineer has reached 70 percent completion of steel gate dam design. It is now time to move from design to dam fabrication and construction. This proposed steel gate contract is the first of two that City Council will consider in the next two months, the other being the dam construction contract.

The City of Tempe issued a Request for Proposal (RFP) to establish a contract for the design and fabrication of the steel dam gates and provide associated controls and operating equipment for the Tempe Town Lake West Dam Replacement project.

A hydraulically operated steel gate dam with an overall length of 950 feet is to be constructed approximately 100 feet downstream of the existing Tempe Town Lake west dam. Eight hydraulically operated steel gates, each 17 feet high and 106 feet in length, will consist of a series of fabricated steel plates mounted between two new river bank abutments and seven mid-lake reinforced concrete piers. The gates will be anchored to a new foundation slab and will be operated by hydraulic cylinders attached to each end of the steel plates to independently, or in unison, raise and lower gates. New cutoff walls, a control building and a stilling basin will be constructed and the south bank interceptor outfall will be relocated.

The steel gate purchase is one element of the construction project that has a completion date of December 28, 2015. By bidding the steel gates and associated equipment and controls separately from the dam construction contract, the City saved approximately \$385,000 in general contractor management fees.

The final negotiated documents include both liquidated damages and a performance bond to eliminate, or minimize, any City exposure should the work not be completed in a timely manner.

Five responses were received:

Johnson Machine Works
Steel-Fab, Inc.
Oregon Iron Works
Rodney Hunt-Fontaine, Inc.
Linita Design & Manufacturing Corporation

Linita submitted a proposal but failed to sign and return the required Vendor's Offer signature page and was therefore considered non-responsive and their offer was rejected.

Evaluation Process

The proposals were evaluated by a committee comprised of Public Works, representative of the design firm – Gannett Fleming, the prime contractor for the project – PCL Construction and Procurement staff.

The responses were scored using the following criteria – sub categories carry equal weight unless otherwise noted:

Criteria	Weight
Cost	9 (32%)
Design	
Materials	
Labor	
Transportation	
Control System Integration	
Testing	
Acceptability of Payment Schedule	
Design Offered	8 (29%)
Meet Performance Specifications	
Suitability of Design	
Ability to Meet Schedule	4 (14%)
Meet Schedule	
Adequate Shop Capacity	
Adequate Personnel	
Evaluation of Firm	4 (14%)
Qualifications	
Recent Experience	
Able to Coordinate with Prime	
References	
Miscellaneous	2 (7%)
Warranty Offered	
Acceptance of Warranty Clause	
Acceptance of Liquidated Damages Clause	
Overall Response to RFP	1 (4%)
Quality, Composition and Completeness	
Acceptance of Tempe Terms and Conditions	

Results of Scoring

An initial review of the submittals was conducted and scored as follows:

Firm	Score	Cost
Steel Fab	252.70	\$12,846,298.49
Oregon Iron Works	233.65	\$15,643,431.65
Johnson Machine	230.24	\$14,541,650.26
Rodney Hunt-Fontaine	214.30	\$18,797,381.58

Costs, as shown, are inclusive of sale tax as applicable to the project

A best and final offer was issued to the four firms to both clarify submitted information and to allow firms the opportunity to review their offers to insure that they had submitted the most competitive pricing. Results of the best and final offer, along with cost reduction information, are summarized in the table below:

Change from Initial Offer

Firm	Score	Cost	Dollar Difference	Percentage Difference
Steel Fab	263.96	\$12,364,226.90	(\$482,071.56)	(3.90%)
Oregon Iron Works	240.31	\$15,590,799.15	(\$ 52,632.50)	(0.34%)
Johnson Machine	234.25	\$14,440,752.71	(\$100,897.56)	(0.70%)
Rodney Hunt-Fontaine	223.88	\$18,721,216.04	(\$ 76,165.54)	(0.41%)

Costs, as shown, are inclusive of sale tax as applicable to the project.

Summary

Steel-Fab has successfully designed and fabricated gate systems of the crest type as requested by Tempe thereby providing the City with a firm with a proven track record. Reference checks revealed a high level of assurance of the firm's capabilities and quality of work.

Steel-Fab has partnered with Schuff Steel, located in Phoenix, to do the fabrication of the gate assemblies which will provide jobs to the Valley during the fabrication phase and reduce transportation costs.

It is the recommendation of the committee that a contract be awarded to Steel-Fab, Inc. who has submitted the lowest cost with a design meeting all specifications as established in the RFP.

Assignment of Contract

In approving this award, Council is also authorizing the subsequent assignment of this contract to the Prime Contractor engaged for the project who will manage the contract for a fee equal to 3% of the contract value. The City believes an assignment is needed in order to minimize project risk related to the coordination and installation of the gate assemblies. By assigning this contract, the General Contractor assumes full risk and responsibility for the integration of the gate assemblies with the dam structure and project warranties. This will provide a single point for contact during the construction and warranty period while ensuring coordination of goals and deadlines.

ATTACHMENTS: 14-004 Town Lake Dam Gates Contract with Steel-Fab

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Department Director: Ken Jones, Finance & Technology Department Director

Legal review by: David Park, Assistant City Attorney

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